

Amendments to the Claims:

This listing of claims will replace all prior versions, and listings, of claims in the application:

1-19. (Canceled)

20. (Currently amended) The method of ~~claim 19~~ claim 26 wherein the substrate is a laminate having a fabric layer for printing the fabric pattern thereon, a release layer, and an adhesive layer disposed between the fabric layer and the release layer.

21. (Currently amended) The method of ~~claim 20~~ claim 26 wherein the step of cutting includes kiss-cutting the laminate to cut only the fabric layer and the adhesive layer of the laminate.

22. (Currently amended) The method of ~~claim 19~~ claim 21 wherein the step of cutting includes cutting the substrate to form a plurality of registration holes on the substrate.

23. (Currently amended) The method of ~~claim 19~~ claim 26 wherein the predetermined temperature is between about 400 to 450 degrees Fahrenheit and the time period is about 10-25 seconds.

24. (Currently amended) The method of ~~claim 19~~ claim 26 wherein the predetermined temperature and time period is a temperature and time period which shrinks the printed substrate.

25. (Currently amended) The method of ~~claims 20~~ wherein the step of printing includes: making a single layered applique having the appearance of multiple layers stitched together comprising the steps of:

printing a first portion on ~~the fabric layer~~ a fabric layer to form a simulated top layer, the first portion having an upper stitch portion;

printing a second portion on the fabric layer adjacent the first portion ~~on the fabric layer~~ to form a simulated bottom layer, the second portion having a lower stitch portion adjacent the upper stitch portion;

printing a third portion on the upper and lower stitch portions to form a simulated stitch attaching the top layer to the bottom layer; and

printing a fourth portion on the upper stitch portion to simulate a stitch hole through which the stitch is disposed to, ~~to simulate an appearance of a hole through which the stitch is disposed to~~ simulate an appearance of the top layer being stitched to the bottom layer.

26. (New) The method of making a single layered applique having the appearance of multiple layers stitched together, comprising the steps of:

providing a substrate for printing a design on;

cutting the substrate to form a predetermined shape;

providing first and second portions adjacent to each other on said substrate;

printing a third portion on the first and second portions with such third portion representing a simulated stitch attaching the first and second portions together;

printing a fourth portion on the first portion to represent a simulated stitch hole through which the simulated stitch of the third portion extends to simulate the appearance that the first portion is a top layer stitched onto the second portion which is a bottom layer; and

drying the printed substrate at a predetermined temperature and period.